



House Budget and Research Office

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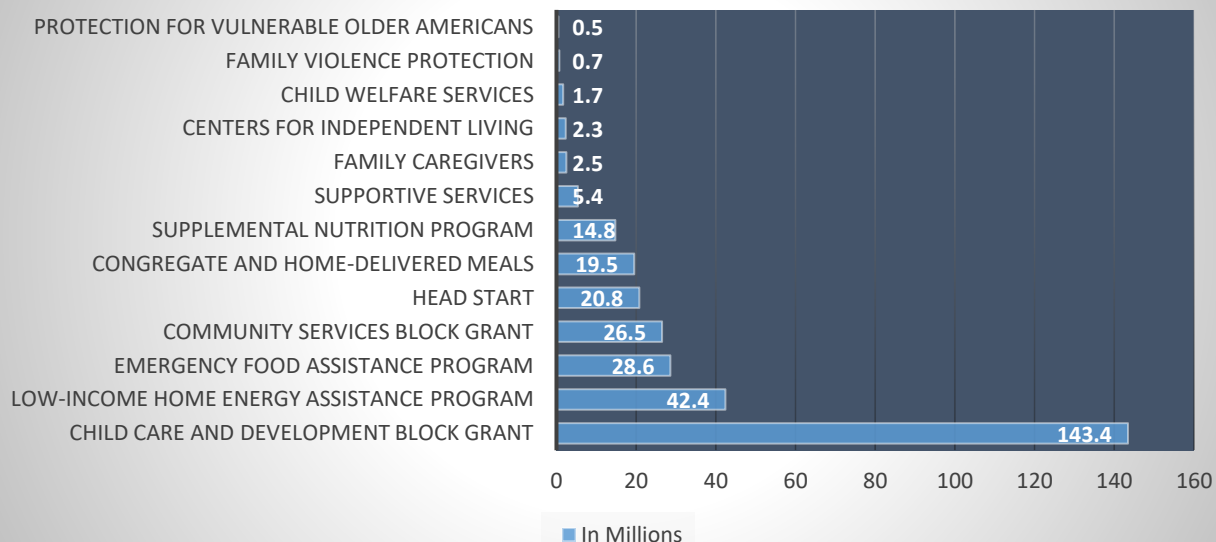
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COVID-19 Federal Funding – Emergency Food Assistance Program

In response to COVID-19, Congress passed three bi-partisan pieces of legislation to provide immediate assistance for the unprecedented public health and economic impacts of this pandemic. 'The Coronavirus Preparedness and Response Supplemental Appropriations Act' was signed on March 6, 2020, and provides \$8.3 billion for domestic and international public health emergency initiatives. 'The Families First Coronavirus Response Act' ('FFCR Act') was signed on March 18, 2020, and provides \$3.5 billion in funding, plus billions more as benefits are used, to address paid sick leave, insurance coverage of disease testing, nutrition assistance, and unemployment benefits. The third and largest relief package is the 'Coronavirus Aid, Relief, and Economic Security Act' ('CARES Act'), which was signed on March 27, 2020, and provides over \$2 trillion in fast and direct economic assistance for Americans across a multitude of areas.

The Governor's Office of Planning and Budget loosely estimates that Georgia could receive up to \$6 billion in total COVID-19 federal funding from all three relief packages, of which over \$300 million will be designated for human services-related programs, including over \$28.6 million for emergency food assistance. Although specific guidelines will be provided from the respective federal agencies, including how to spend the entire \$4.1 billion from the 'CARES Act' sent from the U.S. Treasury, many of the human services funds outlined in the graph below are directed for existing programs.

COVID-19 Relief by Human Services Program



Emergency Food Assistance Program

The Emergency Food Assistance Program (TEFAP) is a federal program administered by the U.S. Department of Agriculture's (USDA) Food and Nutrition Service. This program supplements the diets of low-income Americans by providing them with emergency food assistance at no cost. The 'FFCR Act' and the 'CARES Act' provide at least \$850 million for food bank administrative costs and USDA food purchases, of which Georgia is estimated to receive \$20.2 million for TEFAP commodities and \$8.4 million for administration.

On April 17, 2020, the USDA announced details regarding the \$19 billion 'Coronavirus Food Assistance Program.' COVID-19 has caused some immediate concerns for the nation's food supply. This emergency relief is timely as Georgia may feel the impact more than other states since agriculture accounts for such a large portion of the state economy. The Georgia Farm Bureau estimates that agriculture contributes approximately \$73.3 billion annually to Georgia's economy, employs one in seven Georgians, and in 2018 ranked 14 in the nation for total commodity revenue.¹² As a result, it is safe to assume that Georgia's food supply, which includes everything from farmers to food pantries, will be gravely impacted by the COVID-19 pandemic. The recently announced emergency funding will help address some immediate concerns in the nation's food supply chain, including:

- Farmers dumping milk and plowing crops underground because they cannot bring it to market;
- Food being sold in bulk containers that may be appropriate for restaurants and schools but cannot be easily repackaged to sizes suitable for sale in grocery stores. The machines utilized to package this food into smaller containers are unavailable and expensive;
- Food bank services are under increasing demand, especially in Georgia as unemployment claims in the state exponentially increase. The federal Labor Department's weekly claims report ranks Georgia No. 1 for the largest increase of unemployment claims for the week ending April 4, 2020.³

The new food assistance program has three parts:

- **\$16 billion in direct support to farmers.** These payments will be based on actual losses related to COVID-19 that have impacted prices and market supply chains and provide relief for producers with additional adjustment and marketing costs resulting from lost demand and short-term oversupply for the 2020 marketing year;
- **\$3 billion to food banks and related facilities to purchase fresh produce, dairy, and meat.** The USDA will partner with distributors with workforces that have been significantly impacted by the closure of restaurants, hotels, and other food service entities, to purchase fresh agricultural products;
- **Up to \$1.7 billion in existing funds will be redirected to purchase food and help offset administrative costs at food banks.** Currently, the USDA has up to an additional \$873.3 million available to purchase a variety of agricultural products for distribution to food banks. The use of these funds will be determined by industry requests, USDA agricultural market analysis, and food bank needs.

Resources

Now more than ever it is important to [shop local and support our Georgia Farmers](#). Please visit the [USDA COVID-19 Resource Page](#) to learn more about USDA's response to this pandemic.

¹ <https://www.gfb.org/education-and-outreach/about-ga-agriculture.cms>

² https://www.nass.usda.gov/Statistics_by_State/Georgia/Publications/More_Features/GA2018.pdf

³ <https://www.dol.gov/ui/data.pdf>